

2001 COURSE CATALOGUE

FFIEC EXAMINER EDUCATION

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**FEDERAL FINANCIAL INSTITUTIONS
REGULATORY AGENCIES**

2001 Course Catalogue

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Introduction

This catalogue contains brief descriptions of the examiner training programs offered by the FFIEC and the five federal financial institution regulatory agencies which comprise it.

The first section presents detailed information about FFIEC programs. The second section presents summary information about the FFIEC member-agency training programs available to other agencies.

The FFIEC and Council-member agency training calendars are planned in response to the requests received, and limited capacity exists to accommodate additional training requests received during the training year.

The FFIEC and each of its member agencies plans an annual training calendar in the summer to determine the type and frequency of courses to be made available during the following year. State regulatory agencies are encouraged to forward estimates of their training needs in the spring and summer for the upcoming year.

Each regulatory agency has summarized its registration policy and tuition rates and has specified its policies on sponsorship and other financial assistance to state regulatory agencies. To obtain more information about the courses described in this catalogue, please contact the sponsoring agency.

Visit the Examiner Education Office at
<http://www.ffiec.gov>

Follow the Examiner Education link. The site contains the Course Catalogue, current calendar of course offerings, and periodic press releases.

Letter from the Manager

The Federal Financial Institutions Examination Council was established pursuant to title X of Public Law 95-630, the Financial Institutions Regulatory and Interest Rate Control Act of 1978 (FIRA). The purpose of title X was to create an interagency body empowered to “prescribe uniform principles and standards for the federal examination of financial institutions...and make recommendations to promote uniformity in the supervision of these financial institutions.” As a part of its mandate, the Council conducts training programs for federal and state examiners. The goals of the training program are –

- to promote training efficiency by encouraging consistency of examiner education through joint sponsorship of interagency training;
- to develop, maintain and deliver timely, state-of-the-art interagency training;
- to serve as a clearinghouse of training opportunities offered by the member agencies; and
- to provide support to the initiatives of the Council and its task forces.

Since its inception in 1979, the Council has provided training for over 50,000 participants. All programs are offered under the auspices of the Task Force on Examiner Education, whose principal members are officers of the five Council-member agencies who oversee examiner training. Programs are expressly designed to meet the needs of examiners.

The training office relies primarily on the private sector for instructors. Bankers, attorneys, accountants, and consultants bring the expertise of specialists to the classroom. This provides a source of instructors that supplements those found in agency commissioning training. Agency staff provide lectures on regulatory topics.

A Seminar in Risk Management Planning is available to executive management of banks, thrifts, and credit unions.

The training office stands ready to provide “spot” seminars or conferences which are needed to prepare examiners for new regulatory initiatives. When new interagency regulatory announcements are made, the Council training office can respond quickly to the training need.

The FFIEC has recently produced a CD-ROM on Subprime Lending. This provides 500 pages of reference material and 7 short slide presentations. Interested individuals should contact their agency training coordinator.

We are always eager to receive comments and suggestions. The sooner we hear about needed improvements, the better.

I sincerely hope each of these training vehicles will provide a stimulating opportunity to gain and share knowledge. Participating in a good training program is far less expensive than learning in “the school of hard knocks.”

John P. Newton
Manager, Examiner Education
May 1, 2000

General Information

Who May Attend?

Programs are open to the staffs of federal, state, and foreign financial institution regulatory agencies. Staff members from other regulatory agencies will be accommodated if space is available. One program, *Risk Management Planning*, is intended exclusively for executive management of banks, thrifts, and credit unions. The *Basic International Banking Self-Study* is available for sale to the public.

Registration

Council-member agency staff register through their agency's training headquarters. State financial institution regulatory staff should attempt to register through a Council-member agency (some provide partial financial sponsorship) or through their association of state supervisors. State bank examiners may also register directly with the FFIEC. Foreign participants should register through the Federal Reserve.

It is suggested that state agencies submit their training requests during the spring and summer for the following calendar year. This will be helpful in planning the number of sessions for each program. Otherwise, availability may be limited.

Tuition

Council-member agencies support this inter-agency school by means of annual assessments based on enrollment. State financial institution regulatory agencies' rates are based on member agency costs. Tuition for other agencies for 2001 will be \$350 for courses and \$450 for conferences. The cost of the *Basic International Banking Self-Study* is \$150 for non-regulatory agency personnel. Tuition for the *Risk Management Planning Seminar* will be \$395 for all attendees. The 2001 enrollment commitments of Council-member agencies must be honored under the FFIEC tuition agreement. Rules about enrollment commitments for state banking departments, if sponsored by a federal agency, should be clarified with the registering federal agency.

Training Facility

The FFIEC leases offices and classrooms from the FDIC at the L. William Seidman Center, 3501 Fairfax Drive, Room 3086, Arlington, Virginia 22226-3550. Phone: (703) 516-5588, Fax: (703) 516-5487.

Lodging

Hotel accommodations for most participants can be arranged in the L. William Seidman Residence Facility, 1001 N. Monroe Street, Arlington, Virginia 22201 (703) 516-4630, adjacent to the training center. Reservations should be made through member agency training offices. The FFIEC will make lodging arrangements at the Residence Facility for individuals registering for programs directly with the FFIEC.

Training Memoranda and Pre-course Study Materials

The registering member agency will send a training memorandum and pre-course study materials, if applicable, to each of its participants approximately 30 days prior to the session date. The memorandum will give the location and starting and ending times of the program.

For courses that require pre-course preparation, the FFIEC will send the pre-course materials to member agency training offices for distribution to each participant.

Subprime Lending CD-Rom

This compact disk is available through the member agencies. Please inquire at the office of your agency's training coordinator. The CD contains 500 pages of reference materials and 7 short slide presentations.

General Information (continued)

Dress Code

Participants may wear comfortable attire appropriate for a business environment for programs conducted in the L. William Seidman Center, Arlington, Virginia. Coat and tie are not required. However, tennis shoes, t-shirts, blue jeans, and shorts should not be worn.

Course Prerequisites

Participants should meet all course or conference prerequisites as stated in the course description. When in doubt, call the registering agency's training headquarters or the program administrator to determine eligibility. FFIEC program administrators and the programs for which they are responsible are listed below.

Program Administrators

Harold S. "Tuck" Ackerman

Tackerman@fdic.gov

(703) 516-5591

Advanced Credit Analysis
Cash Flow Construction and Analysis
from Federal Tax Returns
Computer - Assisted Presentations
Consumer Compliance
Instructor Training
Introduction to Syndicated Lending
(when revised)
Lunchtime Speaker Series
Real Estate Appraisal (under development)
Risk Management Planning (Bankers)

James F. Shannon

Jshannon@fdic.gov

(703) 516-5593

Basic International Banking Self-Study
Capital Markets
Cyberbanking Symposium
Information Systems Symposium
Information Systems and Technology
International Banking Conference
International Banking School
Trust
Web Banking and Payment Systems Risks

Dennis M. Dunleavy

Ddunleavy@fdic.gov

(703) 516-5592

Advanced White Collar Crime
Emerging Issues - Community Financial
Institutions
Emerging Issues - Large Financial
Institutions
Testifying

Questions?

For more information: call, write or e-mail.

FFIEC Examiner Education

3501 Fairfax Drive, Room 3086
Arlington, Virginia 22226-3550

Telephone: (703) 516-5588

Fax: (703) 516-5487

E-mail: kksmith@fdic.gov

Basic International Banking Self-Study

Summary

The *Basic International Banking Self-Study* course is taken at the examiner's office through the use of a self-study manual and other materials. It provides examiners with a basic understanding of the structure of international banking activities in banks and how such activities are supervised by the banking agencies. The material is designed to provide examiners who have little, if any, international examining responsibilities with a basic understanding of international banking supervisory matters, and is a prerequisite for the *International Banking School*.

Objectives

At the completion of the course, a participant will be able to:

- outline the structure of international banking operations,
- apply a working knowledge of major international banking laws and regulations to the examination process,
- distinguish the types of international loans and the key features of a syndication and differentiate the risks of international lending from domestic lending,
- identify the policies and procedures that should be implemented by a bank active in international lending,
- distinguish the various kinds of foreign lending by borrower and by geographic region,
- recognize the range of trade finance instruments commonly used by banks, the associated risks, and the controls that should be in place to manage these risks,

- identify foreign exchange risks, strategies for risk and exposure management, and exposure information systems,
- describe common capital market instruments, issued in various international markets, such as Eurobonds and medium-term notes; and understand how the risks of an international security differ from a domestic instrument, and
- differentiate between derivative contracts, including over-the-counter and exchange-traded, option-based and forward-based, and understand key risks applicable to these off-balance-sheet instruments.

Target Audience

Basic International Banking Self-Study is intended for examiners or analysts who fall within one of the following categories:

- ♦ newly hired examiners with at least six months' examination experience who frequently have responsibilities for international banking operations
- ♦ examiners or analysts with little or no prior international banking experience.

Computer-Assisted Presentations

Summary

Computer -Assisted Presentations is a short, on-site course for the regional offices of member agencies. The course emphasizes use of presentation software. Microsoft's PowerPoint is the default software. Classes are kept small so that each participant has the opportunity to demonstrate newly learned skills.

Objectives

At the completion of this course, a participant will be able to develop and deliver effective presentations using presentation software in instructional settings.

Target Audience

Computer-Assisted Presentations is aimed at agency instructors who need to be "re-treaded" in the use of computer-assisted instruction, and those who wish to utilize PowerPoint in meetings with Boards of Directors and other types of meetings.

Length

Computer-Assisted Presentations is a 1-day course. It can be tailored to meet the needs of small, homogenous groups.

Requirements

The participant is required to prepare a presentation using presentation software.

Topics

- ◆ Use of Scanned Image Files
- ◆ Use of Excel Worksheets and Graphs
- ◆ Use of Agency Logos and Templates

Instructor Training

Summary

Instructor Training is designed to equip an instructor with fundamental teaching skills. Basic lecturing techniques, questioning techniques, lesson planning, and the preparation of audiovisual aids will be covered.

Objectives

Participants will be able to:

- use the two principles of instruction, differentiate the needs of the instructor and the learner, and identify learning styles and other factors that can affect learning;
- describe the Instructional Systems Design process and how that process can be used to develop a lesson plan, write learning objectives, and use a checklist to prepare the room;
- identify types of questions, use various questioning techniques, and identify techniques for handling student questions and comments in oral presentations;
- use effective presentation techniques and foster group dynamics and promote participation;
- respond to "difficult" students in the classroom and apply the principles of classroom management; and
- coach others in both an individual and group environment.

Target Audience

Instructor Training is intended for those who have been selected to teach in agency or FFIEC courses.

Length

Instructor Training is a 4½-day course involving extensive class participation. It begins on Monday at 9:00 a.m. and ends on Friday at 11:30 a.m. The normal class day is approximately eight hours of class activities including the presentations by the participants.

Requirements

The participant is required to prepare, deliver, and evaluate the following presentations:

- 5-minute lecture
- 15-minute lecture with questions, part of which will be videotaped
- 15-to-20 minute group facilitation.

Some additional preparation may be required. Students are encouraged to bring their laptop computers for help in completing the preparation.

Pre-course Study

Each participant is required to bring familiar **work-related** lesson plans or resource materials that can be used as a basis for the three class presentations. These presentations should be on the same topic. No lesson plans or research facilities are provided for participant presentations.

Post-course Assignment

In order to reinforce new skills, the participant should be assigned to teach as soon as possible after completing this course.

International Banking School

Summary

The *International Banking School* enhances the participants' knowledge of international banking activities in order to improve examination skills required in supervision. The *International Banking School* is taught in a classroom/ discussion setting in an interactive learning environment.

Objectives

At the completion of the course, a participant will be able to:

- distinguish the risk characteristics of common global securities in the proper economic and managerial context,
- analyze the risk characteristics of common derivative instruments from an asset/liability management perspective,
- analyze the various types of foreign exchange (FX) transactions, including FX derivatives,
- evaluate the risks associated with foreign exchange, such as exchange rate risk, interest rate risk, liquidity risk, credit risk, and business risk,
- evaluate FX risk control policies, risk management systems, and business procedures to control risk,
- analyze trade finance activities, including import letters of credit, similar instruments and medium term financing facilities, and evaluate the associated risks and controls,
- analyze the major forces driving structural changes in international financial markets and the impact of these changes on the banking community, and
- provide strong support in examinations of small-scale international banking activities.

Target Audience

The *International Banking School* is a specialized course not intended for all bank examiners. Rather, it is designed for examiners who have supervisory responsibilities for regional or multinational banks that are actively engaged in international banking activities and U.S. branches and agencies of foreign banks. This course is considered inappropriate for agency staff who have no international supervisory responsibilities.

In order to obtain a class with a uniform working knowledge of international banking and, greater class participation, participants must have on-going examination responsibilities in international banking that occur at least occasionally, if not frequently. It is recommended that attendees with an international banking background have at least six months to one year prior examination experience. Examiners who have had only occasional international responsibilities are required to have completed the FFIEC *Basic International Banking Self-Study* course. These prerequisites may be waived if the participant has **significant** international banking experience.

Length

The *International Banking School* is a 4½-day course. It begins on Monday at 8:30 a.m. and ends on Friday at 12:00 noon. The normal class day consists of approximately eight hours of instruction and activities.

Requirements

Participants should bring a calculator capable of calculating present value.

Testifying

Summary

Testifying participants learn to present findings as an expert witness through depositions and in-court testimony. Participants testify in mock trial role play, with attorneys serving as instructors, judges, prosecutors and defense attorneys. Direct and cross examination techniques will be used. Constructive feedback will be given by other participants, as well as instructors from the U.S. Department of Justice and a retired federal judge. Each participant will receive a videotape of his/her deposition and in-court testimony.

Objectives

At the completion of this course, a participant will be able to:

- present evidence in a highly credible manner at depositions, hearings, and trials,
- respond appropriately to defense attorney cross examination tactics and questions from the presiding judge, and
- recognize the aspects of proper documentation of criminal referrals.

Target Audience

Testifying is designed for commissioned examiners who are scheduled to testify or are likely to testify in the near future. It is not an automatic follow-up to the former FFIEC *White Collar Crime* conference. Testifying is intended as a supplement to preparation provided by agency attorneys. Only examiners who expect to testify are encouraged to apply. Exceptions must be reviewed by the nominee's training headquarters.

Length

Testifying is a 3½-day course. It begins on Tuesday at 9:00 a.m. and ends on Friday at 12:00 noon. The normal class day is eight hours.

Requirements

Each attendee is expected to have a very good working knowledge of the case study **prior** to the start of the course.

Pre-course Study

The FFIEC will mail the course notebook containing the case study and documentation to each participant approximately three weeks prior to the beginning of the course. Participants who do not have a good working knowledge of the case **prior** to the course should not attend.

Post-course Assignment

It is expected that the participant will testify at a deposition, hearing, or trial soon after completion of the course.

Topics

Topics may vary somewhat from session to session. It is, however, expected that the following topics will be covered:

- ♦ *Effective Testimony*
- ♦ *Testifying in Depositions*
- ♦ *Testifying in a Hearing*
- ♦ *A Judicial Perspective*

All participants must complete a *Participant Profile Form* and submit it to their agency training office.

Testifying -- Participant Profile

INSTRUCTIONS: A photocopy of this form should be completed by the nominee and returned to the nominee's training headquarters which will forward the approved forms to the program administrator, Dennis Dunleavy, at the FFIEC training center. If there is a question concerning a nominee's qualifications, the training headquarters should consult with its Testifying Development Group Representative.

Date _____

Participant's Name _____

Office Phone _____

Agency _____ Years with Agency _____

Describe your previous testifying experience (if any): _____

Briefly describe the case(s) on which you are likely to testify: _____

What goals do you want to accomplish during the school? _____

Training Headquarters approval: _____ Date: _____

Advanced Credit Analysis

Summary

The *Advanced Credit Analysis* conference provides commissioned examiners continuing education in the credit underwriting and review function. The conference is intended to augment and sharpen existing credit review skills. In addition, the session will provide information on changes in the legal, technological, and economic environments which have a significant impact on current underwriting practices.

Objectives

At the completion of the course, a participant should be better able to:

- analyze commercial cash flows and business tax returns and have a better understanding of the requirements of FAS 95,
- understand automated underwriting systems and loan scoring systems,
- analyze government lending programs and financial institutions' responsibilities for specific credits,
- analyze loan review functions and assessment of internal grading systems,
- discuss current trends in the commercial real estate markets and agricultural markets, and
- analyze specific credits covered in the conference.

Target Audience

The *Advanced Credit Analysis* conference is intended for commissioned examiners who regularly participate in credit review at community financial institutions.

Length

Advanced Credit Analysis is a 3½-day conference. It begins on Monday at 9:00 a.m. and ends on Thursday at 12:00 noon.

Requirements

Attendees should bring a calculator capable of solving present and future value problems.

Topics

Topics likely to be included are:

- ◆ *Commercial Loan Cash Flow Analysis*
- ◆ *Loan Scoring Systems and Automated Underwriting*
- ◆ *Current Legal Issues in Lending*
- ◆ *How To Analyze Borrowers' Tax Returns*
- ◆ *Loan Review and Risk Grading Systems*
- ◆ *Government Lending Programs Including SBA and FHA*
- ◆ *Trends in the Agricultural Sector*
- ◆ *Current Trends in Commercial Real Estate*
- ◆ *In-depth Review of Specific Lending Topics*
- ◆ *Sub-prime Lending*

Advanced White Collar Crime

Summary

Advanced White Collar Crime conference is a more intensive course than the original FFIEC *White Collar Crime* conference, and provides commissioned examiners with the tools to detect public company fraud in loan applications. It also provides a higher level of knowledge of the newest fraudulent schemes and insider abuses.

Objectives

At the completion of the course, a participant should be able to:

- Recognize public company financial statement misrepresentations,
- Use examination techniques designed to ferret out misrepresentations and distortions in financial statements,
- Understand and be able to recognize subtle indicia of money laundering,
- Recognize new types of white collar crime involving Internet and other technologically oriented frauds,
- Utilize advanced fraud investigation techniques, and
- Examine in-depth for adequacy of internal routines and controls to prevent money laundering and other frauds.

Target Audience

Each participant should be a commissioned safety and soundness examiner.

Length

Advanced White Collar Crime is a 3½-day conference. A day and a half is devoted to intensive financial analysis for fraud. It begins on Monday at 9:00 a.m. and ends on Thursday at 12:00 noon.

Topics

The conference is largely comprised of case studies drawn from recent SEC accounting enforcement cases and U.S. Department of Justice criminal cases. Instructors will include staff from the FBI, the SEC, FinCen, Department of Justice, U.S. Customs, the various regulatory agencies for money laundering, and an accountant/consultant for the financial statement analysis section.

The Financial Statement analysis portion is likely to address:

- Detailed analysis of the profit and loss statement to identify bogus income resulting from timing scams, sham sales, premature recognition of income; understated expenses and misclassification of gains.
- Detailed analysis of potential balance sheet manipulations due to asset scams such as inventory manipulation, fraudulent accounts receivables, fictitious assets; understated liabilities both current and long-term; and bogus capital transactions

Other topics may include:

- ♦ *Cyberfraud and Other Emerging Computer Crime Areas*
- ♦ *Money Laundering*
- ♦ *SAR Writing Guidance*
- ♦ *Check Fraud*
- ♦ *Investigative Techniques and Reporting Methodologies*
- ♦ *Other Topics of Current Interest*

Capital Markets

Summary

The *Capital Markets* conference is intended for those examiners who must integrate the risks inherent in capital market activities into the overall risk profile of an institution (e.g., examiners-in-charge, review examiners), and who need to develop greater familiarity with attendant products, risks, and issues.

Objectives

At the completion of this course, a participant should be able to:

- identify the characteristics, uses, and risks of capital markets activities currently in widespread use,
- analyze the impact on individual financial institutions of accounting rules and capital requirements,
- articulate earnings and market risk exposure for interest rate risk positions,
- discuss key elements in interest rate risk models, and
- describe the fundamental principles of hedging,

Target Audience

The *Capital Markets* conference is designed for "seasoned" examiners, examiners-in-charge, review examiners, and surveillance examiners who need to develop more knowledge in the capital markets area. Participants should have basic skills in evaluating asset/liability management techniques. **Capital market specialists and examiners who have had extensive advanced capital markets training should not attend this conference.**

Length

The *Capital Markets* conference is 3½ days. It begins on Monday at 9:00 a.m. and ends on Thursday at 12:00 noon. The normal conference day is eight hours of lectures and discussions.

Pre-Course Study

The examiner's Washington training office will mail a pre-course reading assignment to be completed before attendance. This will be mailed approximately four weeks in advance of the session.

Requirements

Attendees should bring a calculator capable of solving present value problems.

Topics

Topics are likely to change in order to address the most current issues in the marketplace. The following topics and their related accounting issues are likely to be addressed:

- ♦ *Measuring and Managing Interest Rate Risk*
- ♦ *Asset-backed Securities - Credit, Interest Rate, Market, Liquidity Risks*
- ♦ *Term Structure of Interest Rates*
- ♦ *Uses of Futures and Options*
- ♦ *Interagency Policy Statements*
- ♦ *Recent Market Developments/Products*
- ♦ *Accounting for Capital Market Products*
- ♦ *Assessment and Review of Risk Models*
- ♦ *Funding Liquidity Issues*

Cash Flow Construction and Analysis from Federal Tax Returns

Summary

Cash Flow Construction and Analysis from Federal Tax Returns is designed to provide additional analytical skills that are considered useful to the field examiner in performing a credit review and analysis. The conference goal is to enable an examiner to use a Federal tax return to generate an accurate cash flow statement for an individual or business entity, to be able to defend its construction, and to use the results in the credit analysis process.

The program uses a three-step approach to achieve this conference goal. The participant is first provided with an overview of the current tax laws and the reporting instructions for specific income and expenses, by line item, on the associated Federal tax forms. Using the pre-designed worksheets provided, the examiner will then transfer the tax return income and expense line items to a cash flow statement. By combining both the business information received from the tax return and the cash flow statement, the examiner will then thoroughly analyze the repayment capacity of the business entity.

Additionally, the tax cash flow statement may be used to evaluate the quality and accuracy of the borrower-prepared profit and loss statements and internal bank-prepared cash flow statements and projections.

Specific consideration has been given to increasing the participants' credit analysis capabilities, while minimizing the time required for the credit review process. This is accomplished in part by providing the participant with a packet of job aides and worksheets to simplify the conversion of some of the more complicated tax returns into useful cash flow information.

Objectives

At the completion of the conference, a participant should be able to:

- Explain how using the taxable AGI as a starting point for cash flow worksheets can lead to false cash flow calculations;
- Quickly review and critique a bank's cash flow analysis documentation to determine validity;
- Identify the interrelationships of a borrower's various financial activities as presented on a return;
- Quickly find information vital to a cash flow analysis within the tax return;
- Convert items of income or loss per the return to their actual cash flow equivalent;
- Analyze pass-through entity return information: partnerships, S corporations, estates, trusts, and REMICs, and explain the effects on a borrower's cash flow.
- Use a series of pre-prepared conversion worksheets to quickly convert tax 2000 return line items into an accurate cash flow statement.

Target Audience

This program is intended for commissioned examiners who regularly participate in the commercial credit review process of the financial institution safety and soundness examination.

Length

Cash Flow Construction and Analysis from Federal Tax Returns is a 2-day conference. It begins at 8:00 a.m. and ends at 5:00 p.m. the next day.

Pre-Course Study

The examiner's Washington training office will mail a pre-course reading assignment to be completed before attendance. This will be mailed approximately four weeks in advance of the session. This assignment requires about 4 hours to complete.

Consumer Compliance

The FFIEC Examiner Education Office supports the Consumer Compliance Task Force when it determines a need for interagency consumer or compliance training.

When training is scheduled, the agencies will be formally notified and additional information will be provided on the FFIEC website.

Cyberbanking Symposium

Summary

The *Cyberbanking Symposium* will provide policy-level regulators with leading edge information on electronic banking. The symposium will emphasize the risks and projected rewards with each of several new cyberbanking technologies. Methods to control or reduce risks will be discussed. Consideration will also be given to the adequacy of present regulations and policies. The conference will feature industry executives who are involved in the developing technologies.

Objectives

At the completion of the course, a participant should be better able to discuss the effects the emerging technology will have on financial institutions. The attendees will have a greater knowledge of the risks and rewards associated with the nascent technologies and their possible impact on regulation.

Target Audience

Cyberbanking Symposium is intended primarily for policymakers **and is not intended for field examiners**. The conference may also be beneficial to regulatory attorneys.

Length

Cyberbanking Symposium is an annual 1½-day event, providing approximately eight to twelve hours of lectures and discussions. The event begins at 9:00 a.m. and ends at 12:00 noon the next day.

Topics

Topics are of an emerging nature, and are selected based on recent banking industry trends, and regulatory relevancy. Prior sessions have covered:

- ♦ *Trends in Electronic Banking*
- ♦ *Security Measures and Risk Controls for New Delivery Systems*
- ♦ *Smart Card Issues*
- ♦ *Risks Associated with Internet Banking*
- ♦ *Legal and Regulatory Considerations of Electronic Banking*
- ♦ *Privacy and Consumer Issues*
- ♦ *Encryption and PKI Issues*
- ♦ *Electronic Bill Presentment*
- ♦ *Internet Activities of Non-Bank Lenders*
- ♦ *Technological Innovations in Delivery Channels*

Note: Portions of the Symposium will be broadcast and available to the member agencies via teleconference and videotapes.

Emerging Issues - Community Financial Institutions

Summary

The *Emerging Issues - Community Financial Institutions* conference seeks to provide authoritative analyses of emerging technical topics and important contemporary issues confronting the regulatory and banking communities.

Objectives

At the completion of this course, a participant should be able to:

- discuss critical issues in regulation and supervision,
- evaluate the impact of emerging concerns, and
- recognize the early warning signals of supervisory concern with each topic.

Target Audience

Emerging Issues - Community Financial Institutions is directed at senior supervisory personnel with a minimum of five years of experience who spend a majority of their time conducting supervisory activities of community financial institutions of less than \$15 billion.

Length

Emerging Issues - Community Financial Institutions is a 3½-day conference. Most sessions will begin on Monday at 9:00 a.m. and end on Thursday at 12:00 noon. The normal class day is eight hours of lectures and discussions.

Topics

Topics will evolve from session to session with the changing regulatory environment. The following topics may be presented in 2001:

- ♦ *Risk Measurement and Management*
- ♦ *The Effects of Gramm-Leach-Bliley on Bank Powers*
- ♦ *Changes in Underwriting Standards (including Subprime)*
- ♦ *Capital Markets Update*
- ♦ *Insurance and Banking*
- ♦ *A Prospective View of the National Economy*
- ♦ *The Changing Credit Culture*
- ♦ *Legislative Update*
- ♦ *Where Is the Economy Headed?*
- ♦ *Regulatory Trends - an address by a top regulatory official*
- ♦ *Electronic Money from a Regulator's Perspective*
- ♦ *Competitive Factors*
- ♦ *Banking and Technology Update*
- ♦ *Insider Compensation Concerns*
- ♦ *Anti-Money Laundering Issues*

Emerging Issues - Large Financial Institutions

Summary

The *Emerging Issues - Large Financial Institutions* conference seeks to provide authoritative analyses of emerging technical topics and important contemporary issues confronting the regulatory and banking communities. Speakers and topics will center on large institutions.

Objectives

At the completion of this course, a participant should be able to discuss the critical regulatory and supervisory issues facing multinational institutions.

Target Audience

Emerging Issues - Large Financial Institutions is directed at senior supervisory personnel with a minimum of five years of experience whose supervisory responsibilities or experience primarily comprise multinational and super-regional financial institutions **exceeding \$15 billion**. No other participants should attend.

Length

Emerging Issues - Large Financial Institutions is a 3½-day conference. Most sessions will begin on Monday at 9:00 a.m. and end on Thursday at 12:00 noon. The normal conference day is eight hours of lectures and discussions.

Topics

In contrast to the *Emerging Issues - Community Financial Institutions* conference, the listed topics will be presented in a **large financial institutions** context. Topics will evolve from session to session with the changing regulatory environment. The following topics may be presented in 2001:

- ♦ *Banking Powers and the Financial Services Marketplace*
- ♦ *Market Risk Measurement Methods*
- ♦ *Credit Culture of a Multinational Bank*
- ♦ *Capital Markets Update*
- ♦ *Banking and Technology Update*
- ♦ *Cybermoney*
- ♦ *Trends in Loan Underwriting Standards*
- ♦ *Regulatory Perspective given by a senior official of a member agency*
- ♦ *Outlook for the National and Global Economy*
- ♦ *The Ramifications of Gramm-Leach-Bliley on Bank Powers*
- ♦ *Anti-Money Laundering Issues*

Information Systems (IS) Symposium*

Summary

*Information Systems Symposium** provides a forum for the most senior IS examiners to discuss important IS issues and to develop recommendations for policies and procedures to address those issues.

A major theme will be announced for each session and an outside expert(s) is usually invited to lead discussions and/or serve as a resource person.

This program is different than most courses in that the flow of "information" is expected to come from the participants to the program leader.

Objectives

At the completion of this course, a participant will have developed a "white paper" which:

- defines the regulatory/examination issues involved in the symposium topic,
- outlines recommended changes in regulations and/or examination procedures, and
- makes recommendations to the supervision officials of the member agencies based on the conclusions reached in the symposium.

Target Audience

Information Systems Symposium is aimed at IS examiners who are heavily involved in the examination of complex data processing centers. Participants must possess a strong technical background in IS examinations. At least five years' IS examination experience is preferable. Regional offices must carefully screen participants to ensure that all nominees meet these requirements. A completed Participant Profile Form (see next page) summarizing each nominee's experience in IS must be included with the nomination. This form should be completed by each participant 30 days prior to the beginning of the session. Substitute participants must meet the same experience standards.

Length

Information Systems Symposium is a 4½-day program. It begins on Monday at 9:00 a.m. and ends on Friday at 12:00 noon. Some participants may be required to stay a second week, for the completion of the "white paper," per their agencies' instructions.

Requirements

Participants should have an active interest in discussing and developing recommendations for information systems examination procedures. Participants may be asked to lead discussion groups and to outline or draft policy recommendations.

A significant portion of the week will be devoted to developing and writing a "white paper" that is likely to become the basis of a policy recommendation.

** Joint project with the Task Force on Supervision.*

All participants must complete a Participant Profile Form and submit it to their agency training office.

IS Symposium* - Participant Profile

-

INSTRUCTIONS: A photocopy of this form should be completed by the nominee and returned to the nominee's training headquarters which will forward the approved forms to Jim Shannon, the program administrator, at the FFIEC training center. If there is a question concerning a nominee's qualifications, the training headquarters should consult with its IS Development Group Representative.

Date _____

Participant's Name _____ Office Phone _____

Agency _____ Years with Agency _____

IS Schools previously attended: _____

Describe your IS examination experience: _____

List the names of the largest data centers you have examined (give dates): _____

Why do you have an interest in the topic of this symposium? _____

Training Headquarters approval: _____ **Date:** _____

* Joint project with the Task Force on Supervision

Information Systems and Technology

Summary

The *Information Systems and Technology* conference is designed to update senior data processing examiners on current and prospective developments in the area of information systems. Speakers for this program are nationally recognized industry leaders and, occasionally, senior staff members from regulatory agencies.

Objectives

At the completion of this course, a participant should be able to:

- identify the risks, benefits, advantages and disadvantages of emerging technologies, and
- discuss the implementation of leading-edge banking and data processing hardware and software, including security issues.

Target Audience

Information Systems and Technology is directed at senior IS examiners as identified by each agency.

Length

The *Information Systems and Technology* conference length may vary but is likely to be 3½ days. It will begin on Monday at 9:00 a.m. and end on Thursday at 12:00 noon. The normal conference day is approximately eight hours of lectures and discussions.

International Banking Conference

Summary

The *International Banking* conference updates participants on the latest developments in international banking activities. Supervisory issues and policies of the bank regulatory agencies will be discussed.

Objectives

Upon completion of this conference, attendees will have been updated on current issues in international banking and the regulatory responses to these developments.

Target Audience

The intended audience is senior international examiners or senior examiners-in-charge as identified by each agency.

The conference is intended only for those examiners who regularly have senior responsibility in the international banking or financial arenas.

Length

The *International Banking* conference length may vary but is usually two to three days. The normal conference day is approximately eight hours of lectures and discussions.

Requirements

Participants must have attended the *International Banking School* or must be in charge of examinations of operations that engage in international banking activities.

Topics

The topics have not yet been chosen; however, the following topics were presented in the 2000 conference:

- ♦ *Supervisory Perspective on International Banking presented by a top regulatory official*
- ♦ *Update on the latest BIS initiatives and other supervisory matters*
- ♦ *Trends in International Lending and Capital Markets*
- ♦ *Country Risk Issues*

NOTE:

The *International Banking* conference is offered on an as-needed basis, typically every other year, as determined by the Task Force on Examiner Education. The most recent conference was held in May, 2000.

Space is limited for this conference and those who do not have regular international examination responsibilities should not attend.

Introduction to Syndicated Lending

Under Revision

To be developed by the agencies: Summer 2000
Classes Offered: 2001

Summary

The Task Force on Examiner Education has proposed a complete revision of the *Introduction to Syndicated Lending Conference* and will be convening a working group during 2000 with a one week school proposed for delivery in 2001.

Objectives

Preliminary course objectives include the following:

- Provide a framework of the kinds of analyses that are done to evaluate large public credits - EBITA and other standard ratios, loan covenants, and market expectations,
- Provide an overview of the terminology and structuring differences of the various kinds of large credit facilities,
- Provide examiners with a working knowledge of the standardized SNC cash flow forms used in the examination process,
- Provide a senior examiner's perspective of working large public credits at a large financial institution under the Shared National Program coordinators for the current year,
- Industry presentations of recent developments in the syndicated market,
- Provide an overview of the pre-exam analysis provided by the use of credit models.

Target Audience

This course has been tailored for agency examiners who have little experience in examinations of larger financial institutions that extend credit to large public companies, and for such examiners who are scheduled to participate in the Shared National Credits process. Each participant should be a senior field examiner with substantial experience analyzing credits, but with only minimal exposure to the analysis of large public credits and other large syndicated credit lines.

Lunchtime Speaker Series

Summary

The *Lunchtime Speaker Series* expands delivery of portions of current FFIEC conferences to member agency regional sites through video conferencing.

Objectives

This series is intended to provide local and remote attendees with information on current regulatory initiatives or banking industry developments.

Target Audience

The *Lunchtime Speaker Series* is aimed at member agency staff at regional, district and other remote sites.

Length

The *Lunchtime Speaker Series* will be 1 to 1½ hours in length and will be held on a periodic basis.

Topics

Topics will likely cover current interagency issues and be presented in a panel format. Conferences with segments potentially targeted for electronic delivery include *Capital Markets*, *Cyberbanking Symposium*, *Emerging Issues*, and *Web Banking and Payment Systems Risks*.

Real Estate Appraisal

Under Development

The Task Force on Examiner Education has indicated the FFIEC will develop a one-week school with concentration on reviewing commercial real estate appraisals.

It is intended that the course will be available during the Second Quarter 2001.

More information will be released on the FFIEC Examiner Education website as details develop.

Risk Management Planning (Bankers Only)

Introduction

The *Risk Management Planning* Seminar presents concepts and management techniques that are the foundation of sound risk management systems.

Objectives

At the completion of this course, a participant should be able to:

- evaluate risk management policies for important areas of activity in a bank,
- evaluate the risk management systems in an institution and determine whether improvement is needed,
- evaluate new products and the risks they may pose to institutions,
- understand current regulatory guidelines concerning Risk Management examiner policies,
- explain bank-wide risk management, and
- develop relationships with other bankers dealing with such issues.

Target Audience

Risk Management Planning is intended for top executives or outside directors of insured financial institutions (emphasis on the CEO).

Length

Risk Management Planning is a 1½-day seminar.

Topics

Topics may change from session to session but the following subjects are likely to be addressed:

- ♦ *Credit Underwriting Standards*
- ♦ *Update on Investment Securities Regulation*
- ♦ *Financial Strategy for a Turning Business Cycle*
- ♦ *An Address by a Leading Regulatory Official*
- ♦ *Other Contemporary Topics as Identified*

Trust

Summary

The *Trust* conference is designed *to update community bank trust examiners* on current and prospective developments in the area of trust banking. Speakers for this program are nationally recognized industry leaders and, occasionally, senior staff members from the regulatory agencies. Topics may include updates on corporate trust, legal issues, ERISA, and regulatory issues. Investment portfolio risk management issues and the Internet's impact on trust activities will likely be covered.

Objectives

At the completion of this course, a participant should be able to:

- discuss current trends in trust banking,
- evaluate compliance with regulatory agency requirements, and
- identify and evaluate risks associated with offering trust and asset management services.

Target Audience

The *Trust* conference is intended for trust examiners whose primary responsibility is examination of community bank trust departments.

Length

The *Trust* conference length may vary* but is usually three days. The normal conference day is approximately eight hours of lectures and discussions.

Requirements

Some evening reading or case studies may be assigned. Individuals who regularly attend industry sponsored trust events should not enroll in this conference.

Topics

- ♦ *ERISA Update*
- ♦ *Litigation Update*
- ♦ *Risk Management Issues*
- ♦ *Regulatory Issues with Emerging Investment Products*
- ♦ *Technology Issues*

NOTE: The *Trust* conference is offered once a year.

*At the conclusion of this program, some agencies may conduct individual breakout sessions lasting one to two days.

Web Banking and Payment Systems Risks

Summary

The *Web Banking and Payment Systems Risks* conference will improve examiners' understanding of the risks involved in emerging and existing payment systems, methods used to minimize these risks, and the means of evaluating these risks in the examination process. The conference will also address technological advancements and how these advancements will impact banking.

Objectives

At the completion of this course, a participant should be able to discuss an array of topics pertaining to the Fedwire payment systems. These include:

- systemic risk,
- operating procedures of FedWire, CHIPS, and regionally automated clearing houses,
- controls for Fedline terminals, and
- ACH guidelines and risks.

In addition, the attendees will be able to:

- discuss critical issues pertaining to Internet banking applications,
- discuss trends and standards for data encryption,
- describe emerging Web-based computer applications and their impact on banking,
- explain the risk factors and control procedures associated with merchant credit card processing, and
- describe components of an effective contingency plan

Target Audience

Web Banking and Payment Systems Risks is intended for both commercial field examiners and regional/district office staff who need exposure to Internet banking and a better understanding of the risks associated with payment systems. A minimum of two years of experience is recommended.

Length

Web Banking and Payment Systems Risks is a 3½-day conference. It begins on Monday at 9:00 a.m. and ends on Thursday at 12:00 noon. The normal conference day is approximately eight hours of lectures and discussions.

Post-course Assignment

Participants should be given the opportunity to examine wire transfer activities in order to enhance their training.

Topics

Topics likely to be included are:

- ♦ *A Banker's Views on Internet Banking*
- ♦ *Functions of Payment/Settlement/Message Systems*
- ♦ *Digital Signatures, PKI, and Encryption*
- ♦ *Risks Associated with Wire Transfers*
- ♦ *Internet Micropayment Systems*
- ♦ *Fedline Terminal Controls*
- ♦ *ACH Risks*
- ♦ *Impact of Smart Cards/Electronic Wallets*
- ♦ *Contingency Planning*
- ♦ *Merchant Processing Risks*
- ♦ *Internet Wholesale Payment Issues*
- ♦ *Data Integrity Issues*
- ♦ *Payment Truncation Issues*

Federal Deposit Insurance Corporation

The Federal Deposit Insurance Corporation's (FDIC) Training and Consulting Services Branch (TCSB) is responsible for developing and conducting examiner education programs. These programs are provided for FDIC's Division of Supervision examiners and offered to state banking departments, foreign central bankers and other banking agencies on a space available basis.

Registration Procedures

Each May, the FDIC requests an estimate from states of slots needed in selective FDIC and FFIEC programs through an informational letter that sets a response deadline in late June. Supported slots are awarded based on space and resources available, and FDIC priorities. In mid-to-late fall, awarded slots in FDIC courses are communicated to states along with a request for names. Sponsored slots in FFIEC programs are not communicated until sometime later when FFIEC's schedule is firm. Unless FDIC hears back very quickly to the contrary, all slots are considered "confirmed."

Cancellation Policy

Confirmed state student nominations in FDIC schools must be canceled at least thirty-one (31) days prior to the start of a class. For cancellations made less than 31 days prior to the start of the class when no replacement student is offered, the state banking authority is responsible for an administrative fee. In the case of cancellations of confirmed FFIEC school slots sponsored by the FDIC, state banking authorities will be responsible for total tuition regardless of when they are canceled. Substitutions may be made in any course at any time.

Tuition

Tuition for FDIC schools varies depending on materials, instructors and length of course but ranges between \$300 to \$1,100.

Funding

A cost-sharing program exists that is explained in detail in the informational letter sent to each state.

Lodging

A separate indication of lodging needs must be provided when students' names are submitted. Students requiring accommodations outside the norm, which is "in" the night before a class begins and "out" the last day, will be responsible for making their own arrangements with the hotel and paying any additional expense themselves.

Contact

General information requests, student cancellations, changes, or lodging questions should be directed to the FDIC Training and Consulting Services Branch at the address below:

Federal Deposit Insurance Corporation
Training and Consulting Services Branch
3501 Fairfax Drive, Room VS-3021
Arlington, VA 22226-3500

Telephone: 703/516-1020/1022
FAX: 703/516-1034

Introduction to Examinations

Upon completion of the first two weeks of this course the participants will be able to discuss the important elements of bank supervision and the essential components of the Call Report. After completion of the third week, the participants will be able to demonstrate the technical and interpersonal skills necessary to be successful as the operations manager of a bank examination.

Course Length: 3 weeks

Intended Audience: Pre-commissioned Examiners with 3 - 6 months bank examination experience

Financial Institution Analysis

Upon completion of this course the participants will be able to evaluate a bank's or a bank holding company's financial condition and prepare written analyses of major financial components for the Report of Examination.

Course Length: 2 weeks

Intended Audience: Pre-commissioned examiners with approximately one year of bank examination experience.

Loan Analysis

Upon completion of this course the participants will be able to assist with loan file review and recommend appropriate loan classifications, as well as participate in loan discussions, prepare loan write-ups, and understand commercial lending from the lender's perspective.

Course Length: 2 weeks

Intended Audience: Pre-commissioned Examiners with 18 - 24 months of bank examination experience

Examination Management School

Upon completion of this course the participants will be able to lead the examination process and prepare examiner summary comments in a financial institution with a moderate degree of problems.

Course Length: 3 weeks

Intended Audience: Pre-Commissioned Examiners with 30 - 42 months of bank examination experience.

Commissioned Examiner Seminar

Participants in this course focus on the more advanced examination techniques and the examiner's role in the supervisory process.

Course Length: 1 week

Intended Audience: Examiners commissioned from 1-2 years.

**Trust Examination
School**

Upon completion of this course participants will be able to discuss most of the aspects of bank fiduciary activity, outline the major functions of a trust department, and identify the responsibilities imposed on the trust department.

Course Length: 2 weeks

Intended Audience: Trust examiners with 3 - 6 months of experience or commercial examiners with 18 - 24 months of bank examination experience

Small Computer School

Upon completion of this course participants will be able to describe bank information systems operations and information systems examination techniques, identify weaknesses in management and internal controls, and use the turnkey workprogram to conduct an information systems examination.

Course Length: 1 week

Intended Audience: Financial institution examiners who will be examining small bank data processing operation. Participants should have at least two years of examination experience.

**Introduction to
Compliance Examinations
School**

Upon completion of this two-week course, participants will be able to discuss applicable consumer protection and civil rights laws, and assist in the compliance examination process.

Course Length: 2 weeks

Intended Audience: Compliance examiners with 1 - 5 months of bank examination experience.

**Commercial
and Community
Development Lending**

Upon completion of this course, participants will be able to understand the basics of commercial loan underwriting; identify activities that qualify as community development under the revised CRA regulation; identify financing gaps and understand ways in which these gaps may be addressed through technical enhancements; understand the structuring of development loans; identify avenues for Division of Compliance examiners to research community development activities; better determine how to account for the volume or complexity of community development activities in rating a bank's CRA performance

Course Length: 3 days

Intended Audience: Compliance Examiners with 5 - 13 months experience in bank examination. Non-examiners who would like to learn more about community development.

Consumer/Fair Lending Workshop

Upon completion of this one-week course, participants will be able to evaluate a bank's consumer and mortgage lending policies and practices for potential conflict with fair lending laws or sound underwriting standards. Review and evaluate a standard HUD Appraisal, recognize inappropriate language, and identify potential discriminatory practices.

Course Length: 1 week

Intended Audience: Compliance examiners with 3 - 9 months of bank examination experience.

Community Reinvestment Act School

On completion of this one-week course, participants will be able to explain the objectives and requirements of CRA regulations. Identify the appropriate CRA examination procedures for small banks, large banks, strategic plans and limited purpose and wholesale institutions. Develop a performance context and explain the examination procedures for an assessment area. Effectively use maps to analyze bank performance and present examination findings and write a performance evaluation.

Course Length: 1 week

Intended Audience: Compliance examiners with 9 - 16 months of bank examination experience

Advanced Consumer Protection School

This course focuses on the more advanced compliance examination techniques, as well as, the examiner role in the supervisory process. Recent changes in laws and regulations are specifically included as topics for discussion, as other emerging issues in the compliance areas.

Course Length: 3 Days

Intended Audience: Compliance examiners with 9 - 18 months of bank examination experience

Fair Lending Examination Procedures Workshop

This is a more intensive course that provides examiners with hands-on practical learning and in-depth training on fair lending examination and techniques. Furthermore the course provides students with the opportunity to enhance their familiarity with the fair lending examination process which incorporates the interagency procedures. Upon completion of this course, participants will be able to scope out an examination and identify areas of risk and to use analytical thinking in comparable file review. They will be able to effectively review HMDA and other data and to write effective violations and summaries of examination methodologies and findings.

Course Length: 1 week

Intended Audience: Compliance examiners with 5 - 13 months of experience in bank examination. Examiners who would like to learn more about fair lending.

FEDERAL RESERVE SYSTEM

Programs are open to banking supervision staff of the Federal Reserve System. Staff members from State agencies, foreign central banks, and other regulatory agencies are accommodated on a space-available basis.

Registration Procedures

Registration forms are required for all participants. Once per year, each Reserve Bank should submit a participant registration form for each staff member enrolled in a System, FFIEC or other agency course during that year.

State participants should submit their registration forms to the banking supervision and regulation function's training coordinator at the Reserve Bank in which their state is located. If the state is one that is split between two Reserve Banks, the state should register through the Reserve Bank in which the state capital is located. Foreign Supervisory Authorities submit their requests for registration to Mr. Sarkis Yoghourtdjian. Mailing Address: Board of Governors of the Federal Reserve System, M/S 183, Washington, DC 20551. Telephone: (202) 452-3193 and Fax: (202) 728-5890.

Cancellation Policy

There is no penalty for cancellation of participants in Federal Reserve System schools. In case of cancellation of confirmed FFIEC slots sponsored by the System, state banking authorities are responsible for total tuition regardless of the date of the cancellation if the slot cannot be sold.

Tuition

There are no tuition charges for System schools. The FFIEC and OCC programs have tuition fees, which are available from the Reserve Bank training coordinator or from the System Examiner Education Program.

Funding

A cost-sharing program including partial reimbursement of materials charges, tuition, lodging and travel expenses for System and FFIEC programs, is available from each Reserve Bank.

Lodging

Lodging arrangements will be made for each participant registered for class. Specific lodging information will be included in the letter of introduction sent to each participant.

Pre-course Materials

Pre-course materials for System programs are generally sent to participants approximately eight weeks prior to the class. FFIEC and other agency schools' pre-course materials are sent to participants approximately 45 days prior to the session.

Each participant's Reserve Bank or agency is responsible for assuring that participants have satisfactorily completed all pre-course work in a timely manner. In addition to pre-course work, some courses have proficiency checks which must be completed and forwarded to the Reserve Bank training coordinator prior to attending the course.

Dress Code

Business casual attire is permitted for programs conducted at the System Examiner Training Center in Washington, D.C. The first-day letter sent to each student prior to attending any System school addresses the dress code for the host site. In addition, the dress code for each Reserve Bank is summarized in the Administrative Procedures Manual on the Board's BS&R Website.

Contact

Board of Governors of the Federal Reserve System

Division of
Banking Supervision and Regulation
System Examiner Education Program
M/S 350

Washington, DC 20551-0001

Telephone: (202) 973-5075
FAX: (202) 973-5062

**Banking and
Supervision Elements**

This course addresses the skills and knowledge needed by all of the examination specialties, recognizes the underlying principles of risk management and integrated supervision, and encourages development of investigative and critical-thinking skills.

Course Length: 8½ days

Intended Audience: Individual with approximately 3-6 months on-the-job experience.

**Operations and
Analysis School**

This course emphasizes common operational, analytical, and supervisory themes and techniques for banks, bank holding companies and U.S. operations of foreign banking institutions. It introduces risk concepts, both in theory and in a risk-focused supervision environment.

Course Length: 9½ days

Intended Audience: Individuals with approximately 12 - 15 months of relevant experience.

Loan Analysis

This course enables participants to review loan files and recommend appropriate loan classifications, participate in loan discussions, prepare loan write-ups, and understand commercial lending from the lender's perspective.

Course Length: 9½ days

Intended Audience: Individuals with more than 18 month experience in supervision.

Bank Management

This course enables the participants to more fully understand specific banking functions, gain an in-depth view of the operations of a banking institution from the banker's perspective, and participate in a computer model that simulates a real-world banking environment. Advanced credit analysis techniques are stressed.

Course Length: 8½ days

Intended Audience: Individuals with 30-42 months experience in supervision.

Examination Management

This course enhances a participant's analytical, decision making, and leadership skills. Participants use critical thinking skills to perform financial analyses, evaluate risk management processes, and evaluate key aspects of an institution through integrated supervision.

Course Length: 9½ days

Intended Audience: Assistant Safety and Soundness, Information Technology, and Trust examiners with at least three years of relevant experience.

Banking Applications

This course provides basic understanding of applications processing and familiarizes students with related Board decisions.

Course Length: 4½ days

Intended Audience: Applications caseworkers with 2-9 month experience.

Introduction to Consumer Compliance Examinations

This course offers an overview of consumer laws and regulations. The participants work with loan files and case studies, and participate in a mock examination.

Course Length: 9½ days

Intended Audience: Individuals with 3-6 months experience in consumer examinations .

Consumer Compliance Examinations II

This course examines complex consumer affairs issues and demonstrates how to effectively conduct an examination and present findings to management.

Course Length: 9½ days

Intended Audience: Individuals with at least 9-12 months consumer compliance examination experience.

CRA Examination Techniques

This course addresses detailed examination issues for small banks and exposes participants to the large bank and wholesale/limited purpose examinations procedures.

Course Length: 4½ days

Intended Audience: Assistant consumer compliance examiners who are preparing to write the Performance Evaluation for the CRA portion of a Consumer Compliance bank examination.

Fair Lending Examination Techniques

This course equips assistant level examiners with the skills and knowledge to plan and conduct a risk-focused fair lending examination.

Course Length: 8½ days

Intended Audience: Assistant consumer compliance examiners with 18 months of consumer experience.

Basic Entry Level Trust

This course discusses the major functions of a financial institution's trust department and the duties and responsibilities regarding its fiduciary obligations.

Course Length: 9½ days

Intended Audience: Individuals with 3 months trust examination or two years general examination experience.

Advanced Trust

This course offers an overview of the complex elements of the fiduciary and other services offered by trust departments. The course emphasizes examination techniques and report writing.

Course Length: 9½ days

Intended Audience: Individuals with 2 years trust examination experience.

Report Writing

This course enables examination staff to write a coherent report that communicates essential examination findings or other analytical material to the target audience and educates the target audience on any action that may be needed.

Course Length: 2 days, plus on-the-job training

Intended Audience: Assistant System examiners beginning to write examination reports.

Specialized Lending Seminar

This course utilizes a lecture and case study format to provide the student with a systematic approach to analyzing specialized credit transactions. Typical topics include: Lease Financing, Energy Lending, Lending to Health Care Providers, Asset-Based Lending, Communications Lending, Agricultural Lending, Lending to Small Businesses, Community Development Lending, Trade Finance, Regulatory Accounting Issues Related to Lending.

Course Length: 4½ days

Intended Audience: Individuals who have been commissioned as examiners of banks or bank holding companies.

Real Estate Lending Seminar

This course provides a systematic approach to analyzing real estate acquisition, development and construction lending. The course covers the types of real estate lending and the risks associated with each type, real estate underwriting standards, developer cash flow analysis, appraisals and appraisal policy guidelines, financing different types of real estate, real estate related accounting issues, problem real estate loan management, classification issues, and local economic conditions affecting real estate lending. There will be reading or case study assignments each night.

Course Length: 4½ days

Intended Audience: Individuals who have been commissioned as examiners of banks or bank holding companies.

Management Skills

This course teaches examiners more effective ways of dealing with co-workers and supervisors, as well as building teamwork in the examination setting. There are sections on problem solving and conflict resolution skills with particular emphasis placed on the common environment of regulatory personnel. The course is highly interactive and requires the student to participate in a substantial way.

Course Length: 4½ days

Intended Audience: Individuals with 30-42 months experience in supervision.

Management Skills for Commissioned Examiners

This course teaches examiners and senior supervision staff more effective ways of building teamwork. There are sections on problem solving, negotiation, and conflict resolution skills. This course is highly interactive and requires substantial student participation.

Course Length: 3½ days

Intended Audience: Commissioned examiners and senior supervision staff.

Leadership Dynamics

This course provides commissioned examiners and senior supervision staff with an understanding of the leadership skills that are critical when operating within a changing environment.

Course Length: 3½ days

Intended Audience: Commissioned examiners and senior supervision staff.

**IS Continuing
Education School**

This course provides advanced training related to the latest industry innovations or emerging technology control issues. It is presented by industry experts in financial information technology and controls. Different issues will be discussed at each session. The course will provide IS examiners with technical overviews of the functionality of specific platforms, risks and control issues, and relevant control recommendations. It will provide them with a framework for evaluating the safety and soundness of IS controls in financial institutions.

Course Length: 4½ days

Intended Audience: Individuals who have completed the System's Intermediate IS Examination School and have participated in several complex data processing examinations across a variety of technology platforms.

**Trading &
Operations**

This course provides examiners with the knowledge and skills necessary to assess the risks and control systems of non-complex trading operations in U.S. banks and foreign branches and agencies operating in the U.S.

Course Length: 4½ days

Intended Audience: Examiners with 3 years examination or relevant industry experience.

**Advanced Modeling
& Analytics**

This course includes a quantitative presentation of term structure theories and modeling along with an introductory survey of option pricing methodology, models and products with embedded options.

Course Length: 4½ days

Intended Audience: Field examiners who have a firm base of knowledge in fundamental capital markets issues and whose job responsibilities involve capital markets oversight.

**Trading Exposure
Management**

This course enhances examiner skills and understanding in reviews of risk measurement, modeling, and management of trading operations in more complex financial institutions.

Course Length: 3½ days

Intended Audience: Examiners with 5 years examination or relevant industry experience.

National Credit Union Administration

The National Credit Union Administration's (NCUA) Office of Training and Development is responsible for developing and conducting all NCUA training programs. These programs are offered to NCUA employees, eligible state employees, and other government employees with whom the NCUA has an agreement.

Registration Procedures

NCUA Regional Employees

Contact your immediate supervisor or your regional administrative staff if you have any class or enrollment questions.

NCUA Central Office Employees

Contact your immediate supervisor or NCUA's Training Center managed by the Office of Training and Development.

State Credit Union Regulatory Employees

Unless otherwise noted, state credit union regulatory employees are welcome to attend all NCUA classes.

The State Program Coordinator for NASCUS (National Association of State Credit Union Supervisors) will enroll you and advise you about your training reimbursement. The NASCUS Coordinator is located in the NCUA Training Center and can be reached at 703-518-6636.

Cancellation Policy

There is no penalty for cancellation of participants in NCUA-sponsored courses.

Tuition

No tuition is charged to attend NCUA internal training programs.

Lodging and Travel

NCUA Employees

NCUA Training Center staff will make your hotel arrangements. Your agency administrative contact will make your transportation arrangements.

State Employees

The NASCUS Coordinator will make your lodging and travel arrangements through the NCUA Training Center.

National Credit Union Administration

Training Center
Office of Training and Development
1775 Duke Street
Alexandria, Virginia 22314

Telephone: (703) 518-6630
FAX: (703) 518-6655

**COURSE 101:
LEVEL I
Examiner Orientation And
Computer Skills**

This is a two-part program.

Part I: Provides historical and organizational background of the credit union movement and an introduction to the laws, regulations and accounting procedures that govern federally insured credit unions.

Part II: Provides practice using NCUA laptop computers and authorized software.

Prerequisite: None. This program has been developed for the new examiner who has just entered on duty. The computer portion of the training assumes a basic understanding of the Windows operating system and word processing and spreadsheet software.

Length Of Course: 7 Days

Continuing Education Hours Awarded: 46

**COURSE 102:
LEVEL II
Examiner Computer Skills**

Provides an introduction to NCUA's examination procedures and the automated examination software (ARIES).

Prerequisite: The examiner who has completed Level I.

Length Of Course:: 9 Days

Continuing Education Hours Awarded: 60

**COURSE 103:
LEVEL III
Examiner Financial Analysis**

Provides detailed review and practice in financial analysis with emphasis on NCUA's Financial Performance Report.

Prerequisite: The examiner who has completed Levels I and II, with approximately 3 months of on-the-job experience.

Length Of Course: 5 Days

Continuing Education Hours Awarded: 32

**COURSE 104:
LEVEL IV
Examiner Communication
Skills**

Provides practice in basic analytical skills and verbal and written communication.

Prerequisite: The examiner who has completed Levels I, II, and III and has approximately 5 months of on-the-job experience.

Length Of Course: 9 Days

Continuing Education Hours Awarded: 67

**COURSE 105:
LEVEL V
Examiner - Specialized**

Provides an introduction to and practice in specialized areas of lending, asset-liability management, investments, and problem case credit unions.

Prerequisite: The examiner who has completed Levels, I, II, III, and IV and has approximately 9 months of on-the-job experience.

Length Of Course: 5 Days

Continuing Education Hours Awarded: 32

**SEMINAR 204:
Introduction To Residential
Mortgage Lending
(CORE)**

Provides the examiner with the ability to analyze and evaluate real estate programs in credit unions. Topics covered include: credit union mortgage lending regulations and programs, mortgage lending products, underwriting decisions, secondary mortgage market, appraisals, delinquency, credit reports, home equity credit lines, collection programs, and consumer compliance. This is an introductory level course.

Prerequisite: Examiners, usually in the second year on the job, who need a basic knowledge of the subject or examiners who have experience in the subject and need a refresher.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 205:
Advanced Lending**

Builds on instruction provided in the Introduction to Residential Mortgage Lending. Provides more advanced instruction on the secondary mortgage market and marketing real estate loans, commercial lending decisions, problems in the cash flow cycle, lender liability and management of problem loans.

Prerequisite: Examiners must have attended Seminar 204: Introduction to Residential Mortgage Lending and have four or more years of on-the-job training.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 206:
Consumer Compliance
Regulation (CORE)**

Provides the history, purpose, requirements and enforcement policies on NCUA consumer regulations. The course will include Regulation Z, Regulation B, Regulation CC, Residential Mortgage Regulations, and Truth in Savings and Fair Lending issues.

Prerequisite: Examiners who have completed NCUA's computer-based Compliance Training Program and are in their third year on the job.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 207:
Supervisory Committee
Review
And Fraud Detection
(CORE)**

Provides the examiner with a review of procedures and techniques that can be used to: verify accuracy of credit union records, deal with record keeping problems, and detect fraud. There will be a detailed discussion on how to review and analyze a credit union audit, how to work with CPAs, examining in an EDP environment, the importance and value of off-site data storage, as well as a detailed review of the CUMIS and other bonds.

Prerequisite: Examiners in their second year on the job who need a basic knowledge of these subjects or for examiners with some experience in the subject who need a refresher.

Length Of Seminar: 4 Days

Continuing Education Hours Awarded: 25

**SEMINAR 208:
Investments I
(CORE)**

Provides the examiner with up-to-date information on the various types of investments held by credit unions, legal and accounting issues, broker selection, and a review of policy and suitability issues encountered during evaluation of investment portfolios. Introduces Bloomberg analytics.

Prerequisite: Examiners in their second year on the job and senior examiners as a review course.

Length Of Seminar: 3 Days

Continuing Education Hours Awarded: 18

**SEMINAR 209:
Problem Resolution
(CORE)**

Provides instruction and practice on dealing with complex problem cases, special actions, and workout plans. Emphasis is placed on the practice of developing innovative solutions to problems. Participants must bring to class information about their most challenging problem case credit union. They will actively participate in reviewing the case and sharing their experiences and knowledge.

Prerequisite: Examiners in their fourth year on the job.

Length Of Seminar: 4 Days

Continuing Education Hours Awarded: 25

**SEMINAR 210:
OJT Trainer
(Federal only)**

Provides instruction on NCUA's training philosophy, adult training techniques, and "how to's" for becoming an effective trainer.

Prerequisite: Federal examiners who will be serving as OJT trainers. This course should be taken prior to serving as a first time OJT Trainer.

Length Of Seminar: 2 Days

Continuing Education Hours Awarded: 11

**SEMINAR 211:
Senior Update**

Provides state-of-the-art training for those who are involved in the most challenging credit union situations and the most challenging human resource management issues. Topics are updated on an on-going basis to assure that important examination and management issues are presented.

Prerequisite: Senior Examiners and CU-12 Examiners who have attended or received equivalency certification for ALL CORE Seminars. It is appropriate to take this update each year.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 213:
Investments II
(CORE)**

Provides instruction on advanced investment topics such as the risk management process, the total return concept, and duration and convexity. Builds on information provided in Investments I. Uses the Bloomberg in interactive sessions to analyze investments.

Prerequisite: Examiners who have taken Investments I and are in their fourth year on the job.

Length Of Course: 3 Days

Continuing Education Hours Awarded: 18

**SEMINAR 214:
Asset-Liability Management
(CORE)**

Provides instruction in asset-liability management (ALM), including interpretation of reports, relationship of interest rate risk management, recognizing components of risk, and thinking through the ALM process to develop effective recommendations/corrective actions in the assessment of the credit union.

Prerequisite: Examiners who have attended Investments I and are in their third year on the job.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 215:
Consumer Lending
(CORE)**

Provides the examiner with instruction in the elements of lending decisions and specialized lending programs (such as risk based lending, indirect lending and credit card lending). This seminar will also provide information on the evaluation of collection programs and bankruptcy.

Prerequisite: Examiners in their second year on the job.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 216:
Asset Liability
Management II**

Provides more extensive asset-liability management (ALM) training for examiners who will participate in the complex, higher risk credit union examinations in their region. Some balance sheet risk areas that will be addressed are: evaluation of potential red flags, factors affecting interest rate risk, automated tools to evaluate risk, vendor model evaluation, and the use of new ALM procedures for assessing balance sheet risk.

This course requires on-the-job assignments in addition to the in-class work. Prior to the class, each student will complete, and bring to class, an ALM questionnaire during an examination of a complex institution. In the three-month period after the ALM class, each participant will perform at least one ALM review using the ALM procedures learned in class. The Regional Investment Specialist will act a resource to assist the examiner to complete the out of class exercises.

Prerequisite: Participants must have completed all CORE examiner training.

Length Of Seminar: 3 days

Continuing Education Hours Awarded: 18

**SEMINAR 501:
Impact Presentations (CORE)**

Provides practice and skills development in: projecting self-confidence, analyzing the audience, gaining and holding audience attention, developing good rapport with the audience, organizing the presentation, and delivering the message with impact. Emphasis is placed on: Joint Conference briefings, and Executive, Critical or Problem Case Briefings. Presentations are videotaped.

Prerequisite: Examiners at all levels (both supervisory and non-supervisory), with at least one year of on-the-job-experience.

Length Of Seminar: 5 Days

Continuing Education Hours Awarded: 29

**SEMINAR 502:
Effective Writing for
Examiners**

Provides instruction in how to produce well-organized, well-written examination reports and letters to credit union officials using clear, concise and convincing writing.

Prerequisite: None. Intended for examiners who write or those who organize and re-write the work of others.

Length Of Seminar: 2 Days

Continuing Education Hours Awarded: 14

**SEMINAR 503:
Effective Writing for Office
Staff**

Provides instruction in how to produce well-organized, well-written memos, letters, and reports using clear, concise and convincing writing.

Prerequisite: None. Intended for employees who write, or those who organize and re-write the work of others.

Length Of Seminar: 2 Days

Continuing Education Hours Awarded: 14

**SEMINAR 506:
Writing Clear Policies
And Procedures
(federal only)**

Provides instruction in how to write clear, easy-to-read regulations and other documents for use by the public. Participants will work on current products such as manuals, instructions, bulletins, etc.

Prerequisite: None. Intended for employees who are responsible for writing NCUA regulations, policies, procedures, or other documents to be read by the public. Participants must bring work products to class.

Length Of Seminar: 3 Days

Continuing Education Hours Awarded: 18

**SEMINAR 403:
Dealing With Performance
And Conduct**

Identifies supervisor responsibilities in dealing with employee performance and conduct problems, the legal authorities for taking performance or conduct actions, and appropriate and legally sound strategies for resolving problems. Provides practice in effective conflict resolution.

Prerequisite: A basic or introductory supervision course. Newly appointed NCUA supervisors, Personnel Coordinators, Directors of Administration, and supervisors who need legal updates.

Length Of Seminar: 3 Days

Continuing Education Hours Awarded: 18

Office of the Comptroller of the Currency

Courses offered by the OCC are specific to its responsibilities as the regulatory agency for national banks. Courses are scheduled and conducted based on needs of OCC examiners.

Registration Procedures

Specific courses and number of sessions are determined in the third quarter of each proceeding year based on examiner requests. Courses may be added or canceled as OCC training needs and priorities change. Participants are notified in writing thirty-five days in advance of the school start date. Agencies may request slots for schools through the FFIEC budget process. OCC will notify agencies when their requests for training can be accommodated. Requesting agencies are responsible for notifying their employees.

Cancellation Policy

Agencies should notify the OCC of cancellations at least thirty-five days in advance.

Tuition

Tuition will be set annually by the OCC.

Funding

OCC does not provide funding assistance to participants from other agencies for OCC or FFIEC courses.

Lodging

OCC does not provide for or arrange lodging for non-OCC participants.

Contact

Requests for training will be evaluated on a case-by-case basis. Agencies interested in requesting training or obtaining further information should contact:

Ms. Karen M. Kwilosz
Customer Service Manager
**Office of the Comptroller of the
Currency**
250 E Street, SW
Washington, DC 20219

Telephone: 202/874-4570
Fax: 202/874-5665

Bank Supervision School (BSS)

This school focuses on performing off-site analysis case studies, and reviewing areas such as earnings and capital analysis, enforcement proceedings, executive management appraisal, investment portfolio appraisal, analysis of liquidity/funding, operational controls (BIS), analysis of trust operations, and analysis of a commercial loan deck. Pre-work is 40 hours.

Course Length: 5 days

Intended Audience: Examiners with some exposure to all major areas of the supervisory process

Consumer Compliance (Basic) School

This school focuses consumer compliance examination techniques and procedures.

Course Length: 4½ days

Intended Audience: Associate National Bank Examiners who have participated in at least two consumer compliance examinations

Prerequisite: Completion of the Basic Consumer Compliance Self-Study course

Evaluating Bank Management

This school focuses on risk assessment, the role of the board, responsibilities of management, strategic planning and decision making, policy making, personnel administration, control systems, insider abuses, specialty areas, assigning management ratings, and communication and documentation of results. Pre-work is 6 hours.

Course Length: 4 days

Intended Audience: Associate National Bank Examiners assigned to evaluate management and the board of directors in community banks

Fair Lending

This school focuses on skills needed to conduct fair lending examinations, primarily at the community bank level.

Course Length: 4½ days

Intended Audience: Examiners who will be performing Fair Lending exams.

Financial Economics for Examiners School

This school is a practical course in financial economics, credit markets, finance and banking presented in simple everyday language. It provides examiners with a framework for understanding the economy and financial systems.

Course Length: 3 days

Intended Audience: All Examiners.

Prerequisite: None

**Portfolio Manager
Techniques**

This school will introduce participants to the full range of their portfolio manager responsibilities, including developing risk profiles, establishing supervisory objectives and related strategies, and applying project and team management techniques.

Course Length: 5 days

Intended Audience: OC-10s within one year of UCE testing, recently commissioned OC-12 examiners who want to refine their portfolio manager skills, or examiners ready to assume portfolio manager responsibilities.

Prerequisite: Participants should have completed at least one EIC assignment to accomplish supervisory plans.

Problem Bank School

This school focuses on recognizing emerging problems in national banks, and identifying various supervisory strategies and enforcement remedies available for supervising these institutions.

Course Length: 4½ days

Intended Audience: All Examiners

Prerequisite: Participants must have attended the Bank Supervision School

Retail Credit

This school focuses on assessing the overall effectiveness of a bank's retail credit program, including key components such as marketing, underwriting, scoring, collections, and internal systems and controls, and their associated risks.

Course Length: 4½ days

Intended Audience: Commissioned examiners with credit experience.

Treasury Management

This school focuses on capital market risk topics such as determining and prioritizing risks, and integrating risks into exam findings.

Course Length: 4½ days

Intended Audience: Examiners needing a fundamental knowledge of capital markets and asset/liability management.

Prerequisite: Participants must complete approximately 40 hours of self-study work prior to attending.

Office of Thrift Supervision

Registration Procedures

The Training and Development (T&D) calendar is based on need each calendar year. Once the new calendar is in place, enrollments are taken. Enrollments are accepted by phone, e-mail or internal memo.

Cancellation Policy

Enrollment substitutions are accepted at any time prior to the beginning of a course. Cancellations are accepted without a penalty if they are made at least 35 working days prior to the starting day of the course. Cancellation or enrollments made less than 35 working days prior to a seminar, with no replacement, are charged with a cancellation. "no-show" (i.e. no previous notification to T&D) enrollments are recorded and charged against that agency or region.

CPE Credits

Registered with the National Association of State Board of Accountancy as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses. Complaints regarding sponsors may be addressed to NASBA, 150 Fourth Avenue North, Suite 700, Nashville, TN 37219-2417, (615) 880-4200.

Tuition

Costs for T&D training programs range from \$220 to \$1,300 depending on the length and type of course desired.

Lodging

Approximately five weeks prior to the start date of a course, pre-course materials are sent to the scheduled participants with a memo outlining course logistics. Hotel accommodations are arranged for all out of town participants,

Contact

For further information please contact:

Ms. Karen Willis
Program Manager
Office of Thrift Supervision
OPD
1700 G Street, NW
Washington, DC 20552

Telephone: 202/ 906-6652
Fax: 202/ 906-5748

NAET
*Advanced Examiner
Topics*

Through lecture and class activities, AET covers three main topics: investment securities, sensitivity to interest rate risk and capital management. Investment Securities provides a comprehensive review of duration, credit risk, marketability, taxation issues, and currency in global bonds and embedded options on structured notes. Sensitivity to Risk reviews the consequences of entering the interest rate swap, interest rate cap and the interest rate futures market on the thrift's net interest margin and net portfolio value. The risk/reward tradeoff of each instrument is evaluated. Capital Management includes cases to discuss dividend constraints, the importance of a stable dividend payment, and factors applicable to a rational dividend payout ratio.

Pre-course work: None
Course Length: 2 days
Intended Audience: Senior Level Examiner
CPE Credits: 14

NACES
*Advanced Compliance
School*

This seminar provides accredited compliance examiners and their managers with an opportunity to discuss and explore current compliance issues on a cross-regional basis, learn about significant regulatory changes, and ensure consistency in the overall approach to the implementation of compliance examination policy. Course Content is updated frequently so examiners can attend it more than once.

Pre-course work: 2 - 3 hours
Course Length: 3 days
Intended Audience: Post FCR
CPE Credits: 25

NAFFH
*Affordable Housing
Seminar*

Participants will learn how to evaluate a thrift's affordable housing lending program from a safety and soundness standpoint. Also discussed are various approaches to financing affordable housing projects and project management. The role of the thrift industry in helping to provide affordable housing along with the elements of successful projects will be explored. Case studies of actual projects are used extensively.

Pre-course work: 4 hours
Course Length: 3 days
Intended Audience: Post FTR
CPE Credits: 25

NAGLEND
Agricultural Lending

Participants will be provided an overview of key farm enterprises, learn and identify the different types of credit and understand how to analyze financial statements and repayment capacity relative to agricultural lending. Participants will also be provided an overview of: credit analysis, hedging, how to assess allowances for loan losses and accepted loan administration procedures.

Pre-course work: none

Course Length: 3 days

Intended Audience: Post FTR, examiners and managers who require an in-depth knowledge of agricultural lending.

NARLEND
Asset Securitizations
(formerly: *Advanced Retail Lending*)

This course focuses on the asset securitization process and structure, the types of loans being securitized, the practical benefits of securitizing, and the risk and exposure to thrift institutions. Also discussed are accounting and capital issues related to securitizations.

Pre-course work: none

Course Length: 2 ½ days

Intended Audience: Post FTR, examination staff who routinely work with asset securitization issues.

CPE Credits: 25

NCM
Capital Markets

Participants will learn to evaluate the inherent risks and rewards associated with mortgage products, capital market instruments, and advanced hedging strategies such as the use of structured notes, interest rate swaps and other hedging techniques. This course is being reviewed and will be updated in early 2000.

Pre-course work: 8 hours

Course Length: 1 week

Intended Audience: Post FTR; generally over 48 months

CPE Credits: 35

NCOMLS
Commercial Business Lending

This course covers the fundamentals of commercial lending including cash flow projection and analysis, business risk, ratio and financial statement analysis, loan structuring, basic loan documentation and credit scoring. Several case studies are used to emphasize how changes in business conditions and cash flow affect credit underwriting. Several guest speakers will discuss such topics as how to underwrite and service Small Business Association Loans and commercial loan portfolio administration.

Pre-course work: 6 hours

Course Length: 3½ days

Intended Audience: Post FTR, generally over 36 months' experience.

CPE Credits: 28

**NS341 Information
Technologies**
*Section 341 Information
Technologies*

The Information Technologies course is designed to prepare Safety and Soundness Examiners to evaluate the adequacy of an institution's information systems and technology infrastructure. This program will discuss analytical procedures to determine if an institution's planning, policies and procedures for deployment, and operation of various technology systems, and audit processes are adequate to ensure a safe, sound and secure information technology infrastructure.

Pre-course work: 4 hours
Course Length: 2 ½ days
Intended Audience: Post FTR
CPE Credits: 21

NIRR
Interest Rate Risk

Through lecture and case studies, the one and one half day course will focus on: 1) Regulatory Guidance TB13a, 2) Interest Rates, Structure & Projections, 3) Best Risk Management Practices, 4) Internal Models and Complex Securities. Representation from the DC Risk Management Group is present at the session for any OTS specific questions.

Pre-course work: None
Course Length: 1 ½ days
Intended Audience: All levels of examinations staff or anyone seeking to understand the OTS NPV model and IRR
CPE Credits: 12

NMB
Mortgage Banking

Participants will receive a strong understanding of the mortgage banking business, key elements of risk management in mortgage banking operations, and primary financial factors in mortgage banking. Participants will be able to identify the fundamental conflicts between mortgage banking and portfolio lending strategies, differences in risk exposure, and the results of failure to segregate the two approaches. Also discussed is how to assess the quality control, internal controls and risks of the thrift's mortgage banking production area, and the adequacy of tracking systems to monitor pipeline and warehouse mortgages. The course provides guidance regarding secondary market policies and whether procedures and practices are adequate to effectively hedge the pipeline and warehouse at reasonable risk levels.

Pre-course work: 2 hours
Course Length: 4 days
Intended Audience: Post FTR
CPE Credits: 33

NOT***Overview of Trust
Activities***

This seminar is designed to introduce the participants to fiduciary activities and risks. The seminar will present information on a number of subject areas. Participants should recognize that they will not be fully experienced in the fiduciary area upon completing the seminar. The seminar will offer participants the opportunity to discuss and explore current trust examination issues and to learn about significant regulatory developments.

Pre-course work: None

Course Length: 2 days

Intended Audience: Anyone requiring a basic knowledge of fiduciary activities.

CPE Credits: 16

NRLEND***Retail Credit***

Retail lending is offered jointly by OTS and OCC, using experienced examiners/instructors from both agencies. The course offers an in-depth review of the consumer lending process from marketing through loan origination, servicing and collection. It covers all types of consumer loans with most of the emphasis on credit card lending. Credit scoring is strongly emphasized in the class. The course also contains a brief overview of credit card securitization.

Pre-course work: None

Course Length: 1 week

Intended Audience: Post FTR

ACCREDITATION COURSE OFFERINGS

This series of accredited courses is primarily intended for those pursuing a FTR, FCR and FISR designation. However, enrollment is open to anyone demonstrating a need to attend. All participants are expected to attend the full course including the test.

NNTRS

*New Thrift Regulator
Training School*

NTRS is intended to provide participants with a basic technical knowledge of the safety and soundness examination process. The first week of the course is devoted to financial related topics such as financial operations analysis, liquidity, investments, capital and interest rate risk. The second week covers the basics of credit underwriting and analysis.

Pre-course work: 24 hours

Course Length: 2 weeks

Intended Audience: All new examiners with approximately six months' field experience

Test: Yes, multiple choice

CPE Credits: 74

NSPECEX

Specialty Exam School

The course serves as an introduction to the three major specialty examination areas: Compliance, Information Technology and Trust. The material provides an overview of the major technical areas and regulations and examination procedures of each area. The class also provides an overview of the Community Affairs Liaison program.

Pre-course work: None

Course Length: 4 ½ days

Intended Audience: Examiners with approximately 12 months' experience.

CPE Credits: 40

NJLS

Joint Loan School

This school is held jointly with the FDIC. In the first week participants are given the fundamentals analytical techniques for reviewing all types of real estate, commercial and retail loans. The second week is devoted to loan portfolio analysis, the asset classification process and methods to assess the adequacy of loan loss reserves.

Pre-course work: 24 hours

Course Length: 2 weeks

Intended Audience: Examiners within the first 15 months.

NREAS

*Real Estate Appraisal
School*

Participants will become acquainted with the fundamental principles, techniques, and procedures in the examination of an appraisal report. The course is designed to provide the participant with the necessary understanding of appraisal regulations and the three approaches to value. Major emphasis is on review and evaluation of final value conclusions.

Pre-course work: 8 hours

Course Length: 1 week

Intended Audience: Examiners with approximately 18 months' experience.

This is an FTR accredited course.

Test: Yes

CPE Credits: 39

NRM*Risk Management*

The Risk Management school covers the fundamentals of assessing, measuring, and controlling the various risks facing financial institutions. The course emphasizes how risk/return decisions impact an institution's strategic and business planning. This is highlighted for the participants throughout the week by giving them the hands-on opportunity to develop strategic plans and financial modeling for a sample institution using the ABA's Bank Exec simulation software.

Pre-course work: 8 hours

Course Length: 1 week

Intended Audience: Examiners with approximately 24-30 months' experience. This is an FTR accredited course.

Test: Yes, multiple choice.

CPE Credits: 41

NCOMPI*Compliance School I*

Participants will address the purpose of the compliance regulations, examination procedures, and other regulatory concerns covered in the OTS Compliance Activities Regulatory Handbook. Major emphasis is on the areas of administration, fair lending, consumer laws and regulations, compliance laws and regulations, and the Community Reinvestment Act.

Pre-course work: none

Course Length: 2 weeks

Intended Audience: FCR candidates with three to six months' on-the-job training

CPE Credits: 78

NCOMP2*Compliance School II*

Participants will cover advanced compliance topics such as CRA, fair lending, BSA, RESPA, flood insurance, and complicated Regulation Z disclosures. Participants learn how to rate a thrift's CRA and compliance performance, manage a compliance examination, and prepare a report of examination.

Pre-course work: 6 hours

Course Length: 1 week

Intended Audience: FCR candidates, usually six to twelve months after the completion of Comp School I

CPE Credits: 39

NCISA*Certified Information**Systems Auditor Test*

Required as part of the

FISR accreditation program

Consists of 200 multiple-choice questions, administered during a four hour session. The purpose is to test the examiner's understanding of generally accepted IS audit standards, statements, and practices and IS security and control practices.

NCRCM*Certified Regulatory**Compliance Manager*

Required as part of the FCR

Accreditation program

The CRCM certification exam tests knowledge and understanding in Regulatory requirements, compliance enforcement, penalties, and administrative practices, and management skills in implementing action plans and monitoring compliance.

Intermediate Regulator Schools

NITRS

*Intermediate Thrift
Regulator School*

This series of intermediate level courses are intended for Safety and Soundness and Specialty examiners who are seeking FTR, FCT or FISR accreditation.

NICRS

*Intermediate Compliance
Regulator School*

These courses will undergo extensive revision in 2000.

NIISRS

*Intermediate Information
Systems Regulator School*

Pre-course work: To be determined

Course Length: To be determined

Intended Audience: Examiners with approximately 36-48 months' experience. This is an FTR accredited course

